

Kentucky Agricultural Development Board

Meeting Minutes

June 21, 2002

The Kentucky Agricultural Development Board met on Friday, June 21, 2002, in the Brown-Forman Room of the Kentucky Center in Frankfort. Harvey Mitchell, Designee for Commissioner Billy Ray Smith, Vice Chairman, called the meeting to order, and the secretary called the roll.

Members Present:

Harvey Mitchell, designee for Commissioner Billy Ray Smith, Vice Chairman; John-Mark Hack, Executive Director; Vickie Yates Brown; Daniel Case; Larry Clay; Susan Harkins; Wayne Hunt; Sam Lawson; Dean Scott Smith; Sam Moore; Willa Poynter; Eddie Sellers; and Smith Mitchell designee for Secretary Gene Strong.

Members Absent:

Governor Paul E. Patton; Seth Conner; and Mike Slaughter.

Legislative Guests:

Representative Adrian Arnold; Representative Tom McKee; Representative Don Pasley; and Representative Roger Thomas

Others Present:

Mark Swanson, University of Kentucky; Melissa Cooper, Burley Tobacco Grower's Coop; Biff Baker and Brad Wellons, Legislative Research Commission; Sheri Arms, Community Farm Alliance; Sharon Burton, The Farmer's Pride; Joe Lancaster, Governor's Office of Policy Management.

Staff Present:

David Bratcher; Penny Cline; Gordon Duke; Sandra Gardner; DeVon Hankins; Bruce Harper; Jeff Harper; Rhodes Johnston; Kara Keeton; Bill McCloskey; Chauncey Morris; Jeff Mosley; Joel Neaveill; Lisa Thomas; Angela Utterback; and Stephen Yates.

Notification of Media:

Mr. Mitchell received verification from John-Mark Hack that the media had received sufficient notice regarding the ADB meeting.

Minutes of the May 17, 2002 Meeting:

The minutes were approved as presented.

Executive Director's Report:

John-Mark Hack, Executive Director, reviewed the day's agenda and presented his monthly report as follows:

ACTIVITY HIGHLIGHTS SINCE MAY BOARD MEETING

- 5/20 – 5/21: Participation in and presentation to the summit meeting of the National Tobacco Growers Settlement Trust (Phase II) at the Seelbach Hotel, Louisville.
- 5/24/02: Visit with Owensboro Grain regarding value-added processing opportunities for Kentucky grain producers, especially soy growers.
- 5/28/02: Meeting of Kentucky Center for Cooperative Development Board of Directors
- 5/29/02: Access to Capital committee meeting. Information shared regarding various capital access programs available through the Kentucky Agricultural Finance Corporation.
- 5/31/02: Visit with representatives of e-Merge regarding electronic identification program being proposed to Kentucky Beef Network.
- 6/5/02: Visit with prospective livestock-related company. Included representatives of KDA and Economic Development Cabinet.
- 6/6/02: Check presentation to Kentucky FFA Foundationj
- 6/8 – 13/02: Participation in BIO 2002 in Toronto, Ontario. Exhibit, session participation, visits to University of Guelph Agricultural and Food Technology Center, breakfast for BioSource Technologies.
- 6/16-18/02: Participation in Burley Marketing Association meeting.

This list includes highlights of selected activities. Ongoing efforts, such as meetings with current and prospective applicants are not included here.

BRIEF YEAR- END REVIEW:

Non-Model Funded Applications
County Participation in Model Programs
Market Development Efforts

Kentucky Agriculture and the Natural Products Market:

Dr. Lynn Martin gave a presentation on the “Natural Products Market” and its impact on Kentucky Agriculture (a copy of the PowerPoint presentation is on file at the Governor’s Office of Agricultural Policy.)

Referred to Project Review: Application Numbers A2002-0400-A2002-0449:

Smith Mitchell moved with a second from Susan Harkins that projects numbered A2002-0400 through A2002-0449 be referred to Project Review Committees. The motion passed without objection.

A2002-0400	Nicholas County Fiscal Court
A2002-0401	Livingston Central High Ag. Department
A2002-0402	Grant County Agriculture Diversification Council
A2002-0403	Grant County Agriculture Diversification Council
A2002-0404	Morgan County Fair Board
A2002-0405	Morgan County Fair Board
A2002-0406	Morgan County Fair Board
A2002-0407	Oldham County Farm Bureau of Oldham County, Kentucky
A2002-0408	Oldham County Farm Bureau of Oldham County, Kentucky
A2002-0409	Morgan County Fair Board
A2002-0410	Kentucky Thoroughbred Owners and Breeders
A2002-0411	Johnson County Conservation District
A2002-0412	Owsley County Action Team & Eastern KY Goat Producers Assoc
A2002-0413	Grant County Farmers Market
A2002-0414	Duplicate of 2002-40
A2002-0415	Jackson Purchase Foundation, Inc.
A2002-0416	Kentucky Sheep and Wool Producers
A2002-0417	Lyon County Conservation District
A2002-0418	Bourbon County Forage Improvement
A2002-0419	Bourbon County Cattle Handling Facilities
A2002-0420	Bourbon County Animal Disposal Cost-Share Program
A2002-0421	Jessamine County Young Farmers
A2002-0422	Jessamine County Fiscal Court
A2002-0423	Wayne County Pork Producers
A2002-0424	Duplicate of 2002-425
A2002-0425	Woodford County High School Agriculture Department
A2002-0426	Cumberland County Farm Bureau

A2002-0427	Gallatin County Livestock Association, Inc.
A2002-0428	Central Kentucky Meat Goat Producers, Inc.
A2002-0429	Kentucky Sweet Sorghum Producers And Processors Association
A2002-0430	Breathitt County Conservation District
A2002-0431	DUPLICATE
A2002-0432	Shuckman's Fish Co. & Smokery
A2002-0433	Buffalo Trace Area Development District
A2002-0434	Buffalo Trace Area Development District
A2002-0435	Commonwealth Agri-Energy, LLC
A2002-0436	Franklin County Cattlemen's Association, Inc.
A2002-0437	Mason County Conservation District
A2002-0438	McCracken County Conservation District
A2002-0439	Menifee County Beef Producers, Inc.
A2002-0440	Bishop-Ashby Enterprises, Inc.
A2002-0441	Fish of the Future, LLC
A2002-0442	Fayette County Extension Clay County Women In Ag. Team
A2002-0443	Wolfe County Conservation District
A2002-0444	Green River Area Beef Improvement
A2002-0445	Green River Area Beef Improvement Group Inc.
A2002-0446	Green River Area Beef Improvement
A2002-0447	Western Kentucky Goat Association, Inc.
A2002-0448	Warren County Conservation District
A2002-0449	Cumberland County Farm Bureau

Approved Model Programs

Mr. Hack advised that the following counties had applied for county funds to participate in County Model Programs and that staff recommended funding.

Agricultural Diversification

Sam Moore moved with a second from Danny Case that the board approve the following Agricultural Diversification Model Program applications. The motion passed by voice vote.

<i>App # Funds</i>	<i>County</i>	<i>Project Name</i>	<i>County</i>
A2002-0336	Ballard	Jackson Purchase Foundation, Inc.	\$25,000.00
A2002-0376	Carroll	Carroll County Agricultural Development Fund, Inc.	\$31,200.002
A2002-0248	Carter	Carter County Agricultural Advancement Council	\$132,500.00
A2002-0389	Grant	Grant Co. Ag. Diversification Council	\$169,000.00
A2002-0186	McCracken	Jackson Purchase Diversification Program	\$14,960.00
A2002-0330	Russell	Cumberland Farm Products Assoc., Inc.	\$50,000.00

Forage Improvement

Danny Case moved with a second from Eddie Sellers that the board approve the

following Forage Model Program applications. The motion passed by voice vote.

App # Funds	County	Project Name	County
A2002-0382	Ballard	River Hills Cattlemen's Association	\$27,000.00
A2002-0348	Caldwell	Caldwell Co. Conservation District	\$30,000.00
A2002-0356	Campbell	Campbell County Conservation District Board	\$4,300.00
A2002-0353	Washington	Washington County Forage Committee	\$5,750.00

Genetics Improvement

Danny Case moved with a second from Willa Poynter that the board approve the following Genetic Improvement Model Program applications. The motion passed by voice vote.

App # Funds	County	Project Name	County
A2002-0398 \$25,000.00	Adair	Adair County Cattleman's Association	
A2002-0381	Ballard	River Hills Cattlemen's Assoc.	\$16,000.00
A2002-0350	Caldwell	Caldwell-Lyon County Cattlemen's Association, Inc.	\$25,000.00
A2002-0355	Campbell	Campbell County Cattlemen's Association, Inc.	\$13,050.00
A2002-0391	Carroll	Carroll County Agricultural Development Funds, Inc.	\$31,200.00
A2002-0393	Clark	Clark County Livestock & Forage Council	\$30,300.00
A2002-0343	Pulaski	Pulaski County Bull Genetics	\$1,431.06

Goat Diversification Program

Susan Harkins moved with a second from Wayne Hunt that the board approve the following Goat Diversification Model Program applications. The motion passed by voice vote.

App # Funds	County	Project Name	County
A2002-0334	Ballard	Jackson Purchase Foundation, Inc.	\$15,000.00
A2002-0340	Butler	Western Ky Goat Assoc., Inc.	\$10,000.00
A2002-0346	Knox	Cumberland Gap Goat Producers Assoc.	\$10,000.00
A2002-0347	Laurel	Cumberland Gap Goat Producers Assoc.	\$20,000.00
A2002-0363	McCreary	McCreary Co. Ag. Development Board	\$927.00
A2002-0374	Spencer	Spencer Co. Meat Goat Producers	\$40,000.00

Handling Facilities Cost Share

Danny Case moved with a second from Larry Clay that the board approve the following Cattle Handling Model Program applications. The motion passed by voice vote.

<i>App # Funds</i>	<i>County</i>	<i>Project Name</i>	<i>County</i>
A2002-0387	Adair	Adair Co. Cattlemen's Assoc.	\$75,000.00
A2002-0383	Ballard	River Hills Cattlemen's Association	\$52,000.00
A2002-0341	Butler	Butler County Soil Conservation District	\$80,500.00
A2002-0349	Caldwell	Caldwell County Farm Bureau	\$31,500.00
A2002-0271	Calloway	Calloway County Conservation District	\$38,000.00
A2002-0354	Campbell	Campbell County Cattlemen's Association	\$22,675.00
A2002-0366	Cumberland	Cumberland Co. Farm Bureau	\$25,000.00
A2002-0372	Grayson	Grayson County Cattlemen's Association	\$50,000.00
A2002-0310	Hart	Hart County Cattlemen's Association	\$35,000.00
A2002-0352	Jackson	Jackson County Cattlemen's Association, Inc.	\$40,000.00
A2002-0360	McCreary	McCreary Co. Ag. Development Board	\$3,000.00

Project Review Committee Reports:

Vickie Yates Brown and Sam Lawson presented the Committees' reports. The Review Committees met on May 10, 2002, and made the following recommendations:

Projects Recommended for Funding

<i>App #</i>	<i>Project Name</i>	<i>County</i>
A2001-0289	McLean County High School Agriculture Department	McLean

Ms. Brown moved with a second from Wayne Hunt that the board adopt the committee's recommendation to approve the project for \$43,365.00 in county funds. The motion passed by voice vote.

A2001-0461	Kentucky Native Seed Cooperative	Hart
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Ms. Brown moved with a second from Eddie Sellers that the board adopt the committee's recommendation to approve the project for \$25,000 in county funds and \$177,600 in state funds. The motion passed by voice vote.

A2001-0634	Madisonville Technical College	Webster
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Ms. Brown moved with a second from Wayne Hunt that the board adopt the committee's recommendation to approve the project for \$20,000 in county funds. The motion passed by voice vote.

A2002-0299 Todd County Cattlemen's Association

Todd

Ms. Brown moved with a second from Eddie Sellers that the board adopt the committee's recommendation to approve the project for \$23,100 in county funds. The board requests that the results of the study be compiled and presented to the ADB upon completion of the program. The motion passed by voice vote.

A2002-0300 Todd County Cattlemen's Association

Todd

Ms. Brown moved with a second from Willa Poynter that the board adopt the committee's recommendation to approve the project for \$21,050 in county funds. The board requests that the results of the study be compiled and presented to the ADB upon completion of the program. The motion passed by voice vote.

A2002-0351 Caldwell County Conservation District

Caldwell

Ms. Brown moved with a second from Eddie Sellers that the board adopt the committee's recommendation to approve the project for \$1,000 in county funds. The motion passed by voice vote.

A2002-0080 Henry Co. 4-H Dairy Club

Henry

Mr. Lawson moved with a second from Larry Clay that the board adopt the committee's recommendation to approve the project for \$5,000 in county funds. The motion passed by voice vote.

A2002-0188 Harrison County Farm Bureau Mapping Committee

Harrison

Mr. Lawson moved with a second from Sam Moore that the board adopt the committee's recommendation to approve the project for \$735 in county funds. The motion passed by voice vote.

A2002-0377 Carroll Co. 4-H Council

Carroll

Mr. Lawson asked that members refer to the Conditions section of the summary, Paragraph 7 delete "a#?" and replace with "20 years". Mr. Lawson moved with a second from Larry Clay that the board adopt the committee's recommendation to approve the project for \$10,000 in county funds. The motion passed by voice vote.

A2002-0380 Carlisle County Schools

Carlisle

Mr. Lawson moved with a second from Willa Poynter that the board adopt the

committee's recommendation to approve the project for \$30,000 in county funds. The motion passed by voice vote.

A2002-0385 Best Family Farms

Madison

Mr. Lawson moved with a second from Dean Smith that the board adopt the committee's recommendation to approve the project for \$2,000 in county funds and continue pending the request for \$2,874 in state funds and that staff continue to work with the applicant. The motion passed by voice vote.

A2002-0394 Lyon County Fiscal Court

Lyon

Mr. Lawson moved with a second from Wayne Hunt that the board adopt the committee's recommendation to approve the project for \$7,500 in county funds. The motion passed by voice vote.

Amendments:

Projects Recommended for No Funding:

Mr. Lawson moved with a second from Sam Moore that the following projects receive no funding.

A2001-0335	Clark County Livestock & Forage Council	Clark
A2001-0438	Partners for Family Farms	Fayette
A2001-0473	South-Eastern Kentucky Agricultural Development Assoc.	Pulaski
A2001-0722	The Agribusiness Industry Network Greater Louisville Inc	Jefferson
A2002-0040	Ronald Shrout	Scott
A2002-0221	Licking Valley Livestock Enhancement	Harrison
A2002-0338	Edward Ayer, Carol Howard & Rodney Howard	McLean
A2002-0339	Southern Kentucky Aquaculture Cooperative Inc.	Butler
A2002-0364	Victoria Stommel	Cumberland
A2002-0370	Wimsatt Bros	Daviess
A2002-0371	USA Ostrich Premium Products Assoc.	Allen
A2002-0375	Spencer Co. Fire Protection	Spencer
A2002-0397	Western Kentucky University Research Foundation	Warren

Susan Harkins explained that the Blue Committee recommended no funding for A2002-0339 because this proposal falls under the county model diversification

program; however, Butler County had not adopted a diversification program because there aren't enough county funds to support a full program. Ms. Harkins advised that there is a more concentrated production of prawn in this area than anywhere else in the state and the Butler County Ag Diversification Council gave this proposal a "High" ranking.

Mr. Moore advised that after the Red Project Review Committee meeting he spoke with the Butler County Council and was told that the Grayson County coop does not have the capacity to service all of the producers in the county and Butler County needs a mobile unit so that the additional producers of the coop can be serviced. He further reiterated Ms. Harkins' reasons as to why a model diversification program was not adopted.

Ms. Harkins moved with a second from Wayne Hunt that Mr. Lawson's motion be amended to remove project #A2002-0339 from the no funding list. The amendment passed by voice vote.

The motion as amended passed by voice vote.

Ms. Harkins moved with a second from Wayne Hunt that project #A2002-0339 be funded immediately upon staff working with the applicant to develop the terms and conditions (based upon a similar previously approved project for Grayson County.)

Mr. Hack recommended that staff work with the Butler County Council to expeditiously develop a County Model Diversification Program that would encompass and fund project #A2002-0339. Ms. Harkins and Mr. Hunt agreed to this recommendation.

The motion passed by voice vote.

Mr. Hack recognized Lisa Thomas' service to the Governor's Office of Agricultural Policy, The Kentucky Tobacco Settlement Trust Corporation, and the Kentucky Agricultural Development Board. Mr. Mitchell and Sam Moore on behalf of the ADB presented Ms. Thomas with a gift of a digital camera.

Mr. Hack invited everyone to attend a retirement reception scheduled for July 3, at Serafini's restaurant.

With no additional business before the board, the meeting adjourned.